



# Specialty Crop Block Grant FY2015 Application Guidelines

For projects starting in early 2016 and ending November 1, 2017

Application Deadline: May 1, 2015, 5:00 p.m.

Colorado Department of Agriculture  
305 Interlocken Parkway  
Broomfield, CO 80021  
Glenda Mostek  
303-869-9173  
[glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us)

## **Contents**

- **Background**
- **Eligibility**
- **Program Funding**
- **Application Procedures**
- **Review Process**
- **Grant Award Guidelines**
- **Post-Award Requirements**
- **Technical Assistance**

## **Background**

Colorado's production of specialty crops is among the most diverse in the nation and features a wide array of fruits and vegetables including apples, asparagus, carrots, cherries, dry beans, grapes, lettuce, melons, onions, peaches, potatoes, tomatoes, chiles, hops and sweet corn – not to mention, expansive production of nursery, sod and floral products. As such, it is a dynamic and ever-changing segment of Colorado's food and agriculture industry, as well as a key driver of industry growth.

Production and sales of specialty crops contribute significantly to Colorado's food and agriculture industry, and the state's economy. Colorado's specialty crops represent approximately 9 percent of Colorado's total agricultural cash receipts. In 2012, cash receipts from specialty crops totaled more than \$658 million. And while the majority of Colorado's specialty crops are consumed locally and regionally, an increasing number of countries have been importing Colorado specialty crops in recent years.

The Agricultural Act of 2014 (Farm Bill) has authorized the U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS) to partner with state departments of agriculture to enhance the competitiveness of growers of fruits, vegetables, and other horticultural crops in areas such as marketing, promotion, education, research, trade and nutrition. The Colorado Department of Agriculture (CDA) will be accepting applications beginning March 4, 2015 for projects beginning in the spring of 2016. Colorado's award by USDA this year is estimated to be approximately \$800,000. Applicants will be required to provide a cash and/or in-kind matching contribution of at least 25 percent of the total project budget.

## **Definition**

For the purposes of this program, specialty crops are defined as

- fruits and vegetables,
- tree nuts,
- dried fruits, and
- nursery crops (including floriculture and sod).

Crops excluded from the program as defined by USDA's AMS include: cotton, cottonseed, feed crops (such as barley, corn, hay, oats, sorghum grain, and millet), flaxseed, food grains (such as quinoa, rice, rye, and wheat), livestock and dairy products (including eggs), marine aquaculture, oil crops (such as peanut, soybean, sunflower, safflower, rapeseed, canola, and mustard seed), peanuts, range grasses, sugar beets, sugarcane, and tobacco. A complete list of eligible crops is available on the USDA specialty crop block grant program (SCBGP) website at [www.ams.usda.gov/scbgp](http://www.ams.usda.gov/scbgp) and click on "Definition of Specialty Crops" in the upper left.

## **Eligibility**

Producer groups, organizations, and associations, as well as state and/or local organizations, academia and other specialty crops stakeholders are eligible to apply with projects lasting from February 1, 2016 to November 1, 2017, either as single entities or in combined efforts. Although proposals submitted by individual producers are allowed, they must demonstrate that the potential impact of the project will accrue to a broader group of similar producers, region or industry segment. All projects must “solely enhance the competitiveness of U.S. specialty crops.”

The following are some examples of acceptable and unacceptable projects:

### Example of unacceptable projects

- A company requests grant funds to purchase starter plants or equipment used to plant, cultivate, and grow a specialty crop for the purpose of making a profit, or to expand production of a single business.
- A State requests grant funds to make grants to individual specialty crop businesses or roadside stands to promote their individual business.
- A non-profit organization uses grant funds to purchase produce and then sells that produce to other entities at cost or a higher price than the purchase price while competing with other private companies who sell produce in the area
- A sole proprietor requests grant funds to redesign her/his logo in order to make her/his specialty crop value-added product stand out at the local farmers’ market.
- A single specialty crop organization requests grant funds to market its organization so that it can increase membership in the organization.

### Examples of acceptable projects

- A State requests funding to contract with a university to conduct research on the feasibility of planting, cultivating, and growing a specialty crop in a particular area, the results of which will be shared with many growers throughout the State during the project.
- A single grower requests funds to demonstrate the viability of organic small fruit production and partners with Cooperative Extension to publicize the working model of diversification to other regional growers.
- A single company requests funds to provide a viable pollination alternative to specialty crop stakeholders in a region that currently does not have one.
- A single non-profit organization requests funds to conduct an advertising campaign that will benefit their specialty crop members.
- A single farmer erects high tunnels on his/her property to extend the growing season of tomatoes and lettuce and conducts a field day and farm tour to encourage other small family farmers to adopt the production method

To be eligible for consideration, completed proposals must be received electronically by CDA no later than the close of business (5:00 pm) on May 1, 2015. Proposals should be in a Microsoft Word document and must be emailed to [glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us). Proposals will be acknowledged by return email.

## **Project Priorities**

Funding from the SCBGP affords Colorado's specialty crops stakeholders an unprecedented opportunity to undertake new initiatives including, but not limited to:

- enhancing food safety
- assisting all entities in the specialty crop distribution chain in developing “Good Agricultural Practices,” “Good Handling Practices,” “Good Manufacturing Practices,” and in cost-share arrangements for funding audits of such systems for small farmers; packers and processors;
- investing in specialty crop research, including research to focus on conservation and environmental outcomes;
- developing new and improved seed varieties and specialty crops;
- pest and disease control; and development of organic and sustainable production practices;
- increasing child and adult nutrition knowledge and consumption of specialty crops;
- improving efficiency and reducing costs of distribution systems;
- developing local and regional food systems; and
- improving food access in underserved communities.

## **Program Funding**

### **Availability**

Colorado estimates USDA will award the state an allocation of approximately \$800,000 for Fiscal Year (FY) 2015. Grant projects must be completed by November 1, 2017. We recommend projects begin no earlier than February 1, 2016 to allow for notification of award from USDA and grantee contracting with the state. Additionally grant funds are available only for projects that support specialty crops grown in the State of Colorado and are intended to supplement (not replace) private, state, or third party participant funding.

### **Matching Funds and In-Kind Contributions**

We consider the levels and sources of matching funds to be a key criterion for evaluating proposals. A matching contribution of cash and/or in-kind resources equal to at least 25 percent of the total project budget is required. We endeavor to make the best use of available resources and will give preference to proposals that demonstrate applicant commitment to the project in terms of cash contribution and that maximize the leveraging of funds.

### **Indirect Costs**

Indirect costs are fixed costs not directly accountable to the cost objectives and are not allowed for grant reimbursement.

## **Application Procedures**

### **Timeline**

While we can't provide definitive dates concerning the eligibility of proposed projects until such time that USDA announces state allocations, applicants should consider the following timeline as a likely scenario to determine the eligibility of projects.

<b>Project Proposals to CDA</b>	<b>May 1, 2015</b>
<b>Proposal Review &amp; Selection</b>	May 20, 2015
<b>Colorado Plan Submitted to USDA</b>	July 1, 2015
<b>USDA Approval of Colorado Plan</b>	September 29, 2015
<b>Contracting with Program Participants Completed</b>	February 1, 2016
<b>Earliest Date for Projects to Begin</b>	February 1, 2016
<b>Latest Date that Projects can be Completed</b>	November 1, 2017

### **Requirements**

Applicants must submit a Microsoft Word file containing all application materials to the CDA.

Applications must be emailed to Glenda Mostek at [glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us) by 5:00 p.m. on Friday, May 1, 2015. Your application will be acknowledged by return email on or before Monday, May 4. If you do not receive an acknowledgement, please call 303-869-9173.

To be eligible for consideration, completed proposals must meet the following requirements:

- Proposals are to be complete and include sufficient information to allow reviewers to evaluate the proposal, yet be as succinct as possible. Please verify all budget information is accurate and consistent before submitting application.
- No incomplete proposals will be considered.
- Proposal packages are not to exceed 20 pages (front and back is two pages), including a cover letter, the application form and any attachments, letters of intent and endorsements.
- Applicants must follow the provided proposal format.
- Applications must be submitted via email by 5:00 p.m. on May 1, 2015.

We reserve the right to reject any or all proposals, as well as increase or decrease the amount of requested funding based on findings and the level of available funds. Should the proposal review process suggest a funding level less than the amount requested, our staff will confer with the applicant to determine whether the amount recommended would significantly impact the project's overall feasibility. Prior funding of a project by the Department should not be considered precedent for funding of an apparently similar project. Each applicant will be notified of the Department's decision with respect to their proposal(s).

All proposals submitted to the Department are subject to the Colorado Open Records Law.

## **Grant Restrictions and Limitations**

- Funds may not be utilized for paying down current debt, general administrative expenses (such as rent, phone, copiers, legal, etc.), or for indirect institutional overhead costs.
- Funds may not be utilized for capital expenditures for general purpose equipment, buildings and land. Similarly, funds may not be utilized for purchasing equipment, and construction/building costs.
  - *General purpose equipment* means equipment, which is not limited to research, medical, scientific or other technical activities.
  - *Equipment* means an article of nonexpendable, tangible personal property having a useful life of more than one year with a unit cost of \$5,000 or more.
- Capital expenditures for special purpose equipment are allowable as direct costs provided that that the items with a unit cost of \$5,000 or more are to be used to solely benefit the competitiveness of specialty crops. These items must also have prior approval of USDA; contact CDA for more information.
  - *Special purpose equipment* means equipment that is used only for research, scientific, or other technical activities.
- Funds may not be used for development or participation in lobbying activities pursuant to 31 U.S. Code 1352.
- Funds may not be used to fund political activities pursuant to 5 U.S. Code 1501-1508.
- All proposals and reports submitted to the Department are subject to the Colorado Open Records Law.

## **Federal Funding Accountability and Transparency Act (FFATA)**

SCBGP recipients must comply with the FFATA of 2006. This includes obtaining a Dun and Bradstreet Data Universal Numbering System (DUNS) number and maintaining a current registration in the Central Contractor Registration (CCR) database. Visit <http://fedgov.dnb.com/webform> to obtain DUNS numbers. Additional information can be obtained at [www.fsr.gov/](http://www.fsr.gov/). DUNS information must be provided on the application to be considered for award.

## **Review Process**

Our goal is to fund projects that can produce the highest degree of measurable benefit to Colorado's specialty crop industry in relation to each dollar spent. The Specialty Crops Advisory Council will evaluate each proposal based on the following criteria:

- completeness, eligibility and presentation of the proposal;
- project merit and potential for success;
- the project's potential to enhance the competitiveness of the identified specialty crop;
- applicable experience and qualifications of the project principals; and
- degree to which project performance measures and goals are clearly defined.

CDA may contact applicants for purposes of clarifying information contained in the proposal or to address questions about the proposed project.

## **Conflict of Interest**

In order to provide fair and equitable treatment in the application review process, CDA requires every Specialty Crops Advisory Council member to sign a 'Non-conflict of Interest' form. This form ensures that all board members do not have professional interest in the applications they are reviewing. If a conflict of interest exists for a member with a proposal they are excused from the discussion, ranking and review of that proposal in order to maintain free and equitable competition.

## **Grant Award Guidelines**

- The USDA is the funding entity and has the final approval for projects submitted. Although CDA and a review panel will make the initial review and award recommendations to the USDA, the USDA will make the final decision concerning grant awards. However, CDA will notify you of the status.
- No grant funds may be expended until USDA has approved the state's recommended projects and the contract process is complete between CDA and the organization receiving the grant. This process may take until February 1 to complete after awards have been announced.
- Grant award amounts will be determined on the basis of a competitive review and evaluation of each proposal. Funds will be released to the applicant through the reimbursement of documented expenses incurred after the contract effective date. Reimbursement of expenses will be contingent upon compliance with Program guidelines as set forth by CDA. Claims for reimbursement may not be made more often than monthly.
- Grants will be made in support of specialty crops grown in the State of Colorado and are intended to supplement private, state, or third party participant funding.
- A matching contribution of cash and/or in-kind resources equal to at least 25 percent of the total project budget is required.

## **Post-Award Requirements**

Successful applicants will be required to enter into a contract with the state. The contract will establish an approved project statement of work and budget, and will list responsibilities of project personnel. The statement of work will be the guiding document in terms of requirements for management of the grant. For project planning purposes, the applicant should not plan to start the project before February 1, 2016.

Applicants will be required to show proof of insurance prior to contracting.

In general, the Program will operate on a cost reimbursement basis with payments made to the applicant upon submission of claims for reimbursement form, invoice and documentation supporting eligible project expenses. Expenditures will not be reimbursed without proof of payment. Copies of one of the following are required as proof of payment(s): cancelled checks, wire transfer confirmations, bank statements, credit card statements, signed receipts, debit notes, or other documentation as approved by the Council. Receipts for media buys shall include details on dates, locations and placements of commercials, billboards, etc.

Successful applicants will also be required to develop and submit interim and final reports as agreed between the CDA and the applicant necessary to document project progress and final results. The specific details of these reports will be specified in the above mentioned contract. (Details are also

available in the “Reporting Requirements” part of this document.) In addition to the interim and final reports, the CDA will reserve the right to conduct a follow-up survey(s) of funded projects to determine long-term economic impacts.

CDA will not be held liable for any costs incurred by any applicant for work performed in the preparation of and/or production of an application or for any work performed prior to the effective date of the contract.

CDA reserves the right to audit the applicant's books and records relating to project performance during and up to three years following the project's completion and to pursue any and all legal remedies to recover funds in the event of non-compliance or misrepresentation.

Additionally, CDA reserves the right to:

Waive or modify minor irregularities in applications received after prior notification and applicant's agreement;

- Clarify the scope of this program, within the application requirements and with appropriate notice to all applicants, to better serve the interests of the State of Colorado; and
- Amend the program specifications after their release, with appropriate written notice to all potential applicants.

### **Change in Personnel**

When it is necessary to change a program manager, the grantee must submit a written request to CDA at [glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us). The request must contain the contract number, effective date, and new manager's name, address and contact information.

### **Change in Scope**

When it is necessary to modify the scope or objective of the award, submit written justification for the change along with revised scope/objective and updated matrices to CDA as soon as possible at [glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us). CDA must get approval from USDA before the project can continue.

### **Extension of Grant Agreement**

Extensions must be received in writing no later than 60 days prior to expiration of the contract (see the statement of work). The request must contain the reason for the extension, length of time required (to include a new end date), and an estimate of remaining funds on the scheduled expiration date. Email requests to [glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us). You will be notified if the extension was accepted.

### **Budget Changes**

Submit a written request for budget changes to CDA at [glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us). Include the description of the change and the reason for the change. CDA will respond in writing before any change is accepted.

### **Reporting Requirements**

Interim Reports – All grantees will be required to submit an interim progress report on November 1, 2016 as stated in the statement of work. The following headings should be included but may change based on



USDA requirements. Required details will be sent to grantees in advance of the progress report due date each year:

- *Activities Performed* – Briefly summarize activities performed, targets, and/or performance goals achieved during the reporting period. Whenever possible, describe the work accomplished in both quantitative and qualitative terms. Include the significant results, accomplishments, conclusions and recommendations. Include favorable or unusual developments. Compare actual accomplishments with the goals established for the reporting period. Clearly convey progress toward achieving outcomes by illustrating baseline data that has been gathered to date and showing the progress toward achieving set targets.
- *Problems & Delays* – Include any unexpected delays or problems in the project and the reason(s). Review the measureable outcomes to determine if targets are still realistic and attainable. Include revised work plan timelines if applicable.
- *Future Project Plans* – Briefly summarize activities to be performed, targets, and/or performance goals to be achieved during the next reporting period for the project. Whenever possible, describe the work to be accomplished in both quantitative and qualitative terms. Describe any changes that are anticipated in the project.
- *Funding Expended to Date* – Include the level of grant funds expended to date for the project.

Final Reports – All grantees will be required to submit a final project report on or before November 1, 2017 as stated in the statement of work. The following headings should be included but may change based on USDA requirements. Required details will be sent to grantees in advance of the progress report due date each year. All performance reports should be emailed to [glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us).

- *Project Summary* – Summarize the issue, problem or need for the project.
- *Project Purpose* – Briefly summarize activities and tasks performed during the grant period. Describe the work accomplished in both quantitative and qualitative terms. Include significant results, accomplishments, conclusions and recommendations.
- *Project Activities* – Briefly describe the work accomplished during the grant period. What specific tasks from the Work Plan of the approved project proposal were accomplished throughout the project? Whenever possible, describe the work accomplished in both quantitative and qualitative terms, including any significant results, accomplishments, conclusions and recommendations resulting from the project. Be sure to include any favorable or unusual developments. If the overall scope of the project benefitted commodities other than specialty crops, indicate how project staff ensured that funds were used to solely enhance the competitiveness of specialty crops.
- *Goals & Outcomes Achieved* – Include the activities that were completed in order to achieve the performance goals and measurable outcomes for the project. If outcome measures were long term, summarize the progress that has been made towards achievement. Provide a comparison of actual accomplishments with the goals established for the reporting period. Clearly convey completion of achieving outcomes by illustrating baseline data that has been gathered to date and showing the progress toward achieving set targets.
- *Beneficiaries* – Provide a description and quantitative data for the number of people or operations that benefited from the project's accomplishments and/or the economic impact of the project. This can include jobs retained/created and increase in business.
- *Lessons Learned* – This will contained results and conclusions for the project. If goals or outcome measures were not achieved, identify and share the lessons learned. Also include any next steps as a result of the project.
- *Project Contact* – Include the contact person for the project with the telephone number and email address and any additional information. This can include publications, photographs and websites.

**Records**

In accordance with Federal regulations, grant recipients shall retain all records relating to the grant for three years after the final financial claim for reimbursement has been received by CDA or until final resolution of any audit finding or litigation.

**Promotion**

All media and presentations that utilize SCBGP funds shall include the statement: “funded by a grant from the Colorado Department of Agriculture through the USDA’s Specialty Crop Block Grant Program.”

Please contact CDA if you would like a press release of the project submitted through our e-newsletter. Email your request with the completed formatted press release to [glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us).

**Technical Assistance**

Applicants may call Glenda Mostek at 303-869-9173 or email at [glenda.mostek@state.co.us](mailto:glenda.mostek@state.co.us) with questions not contained in this document.